



DALLAS COUNTY
COUNTY AUDITOR

To: The Honorable Roy Williams, Jr., Constable
Commissioners Court

From: Darryl D. Thomas, County Auditor *Darryl D. Thomas*

Date: February 3, 2016

Re: Constable Precinct 4 – State Forfeiture FY2015

Scope

We performed a review of financial records relevant to the Constable's use of State forfeiture funds in accordance with Code of Criminal Procedure, Article 59. The forfeiture activity includes \$0 seized, \$0 forfeited, and \$0 expended for Constable Precinct 4 during the state fiscal year ending September 30, 2015. Forfeited funds are held in a special account in the treasury, to be used by the Constable solely for law enforcement purposes of his office.

Procedures

The auditor tested the approved budget and availability of cash. Internal controls for financial management by the Constable office including purchasing, accounting, compliance, and reporting are tested at year-end. A random sampling of the total budget activity was selected for certain procedures, while some categories were reviewed in entirety. Review steps included, but were not limited to:

- A. Purchasing
 - Approvals: documented prior to allocations or purchase/obligation
 - Policies/Travel (hotel – meals – transportation)
- B. Accounting
 - Approvals/Support: documented on receipt of service/goods
 - Allocation/Justification: category coding
 - Bank Reconciliation: Constable Precinct 4 records vs. General Ledger vs. bank and outstanding entries
- C. Compliance – used by Constable solely for law enforcement purposes (see Attorney General's opinions on "official law enforcement purposes")
 - Budget/Categories: filed with Commissioners Court at sufficient level both for investigation and non-investigation disclosure
- D. Reporting
 - Budget and Categories: consistent with Attorney General's format
 - Audit: timely signed and remitted
- E. Walkthrough
 - Documents internal controls for the complete procurement process
 - Document internal controls for handling of seized and forfeited funds; handling of seized and forfeited assets
 - Document internal controls for handling of capital and non-capital property (recordkeeping /tracking / tagging)
 - Determine if written procedures are in place

Consideration of Internal Control

Tests were performed for limited purpose of compiling financial transactions in format required by the Attorney General. A deficiency in internal control exists when the design or operation of control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of control deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

We identified the following control deficiencies from testing:

- Abandoned seized funds not held as evidence remain in the seized account without return to defendants or processed as unclaimed money

Status: Request for payment received by Auditor's office to transfer money.

The following findings were identified during the walkthrough:

- The office does not have written procedures regarding the seizure and forfeiture of property. The Constable's office should develop a written process for asset seizure and forfeiture property. The Forfeiture process should include a workflow describing how officers seize assets at the crime scene, document assets at the crime scene, transport assets to the Constable's office, store seized assets, deposit seized money in escrow, hold auctions after case adjudication, deposit money in the forfeiture account, and manage the use of forfeiture funds for purchases.
Response: Constable Precinct 4 does not actively seize property due to the elimination of the traffic division. However, if there were an instance Constable Pct. 4 would follow the guidelines set forth by the District attorney's office, including the transporting and sealing of evidence. However, we will obtain a copy of the policy set forth by the District Attorney's Office and adopt the written form as our policy and procedure for seized property.
- There is limited oversight of seized property when only one officer transports the evidence and assets to the Constable's office from a crime scene. Due to limited staff, seized evidence and assets should also be photographed in the evidence bags with the bag # and description of evidence visible in the photo. Additionally, a different officer than the transporting officer should seal the bag to ensure assets cannot be removed without breaking or tampering with the seal.
Response: Agree with the findings of Seized property and evidence.
- A single comprehensive asset tracking list is not maintained; however, the precinct maintains individual folders for items purchased with forfeiture funds assigned to deputies. Once a deputy's employment has been terminated with the precinct, all items are returned and a Returned Equipment check list is completed. Assets should be tracked according to UGMS 2 CFR section 215.34 and Dallas County Code Sec. 90-373, tagged and recorded promptly once it is received.
Response: Pct. 4 has a tracking system that includes the requisition, Purchase Order, serial numbers and quotes kept in a folder.
- The Chief Clerk requests and approves purchase requisitions, systematically sent through the Oracle Financial System to the Purchasing Department for processing, after obtaining verbal approval from the Constable. The Constable's office should implement a procedure that requires the purchase requisition preparer/requester to be someone other than the approver. Electronic approval of purchase requisitions should be routed to the Constable or Chief Deputy Constable, as back-up, when submitting expenditures through Oracle to the purchasing department.
Response: Each year prior to the beginning of the fiscal year a budget is set for both State and Federal Forfeiture accounts. Each line is discussed and approved by Constable Williams. We only use the accounts for Travel, Deputy Uniforms, Ammunition and Subscriptions which aren't covered by the County. All purchases are requested by Executive Staff only which includes copy of quotes and approval; example (Ammunition) and have been previously approved by the Constable prior to the beginning of the fiscal year. I understand the control issue; however, the position of the Chief Clerk has the responsibility to manage the office including the fiscal aspect as an extension of the Constable. However to be in compliance, we will have Constable Williams approve all requisitions for State and Federal Forfeiture purchases.

Compliance with Laws and Regulations

No State seizure or forfeiture activity occurred in fiscal year ending September 30, 2015. Abandoned funds were not returned to defendants or processed in accordance with Code of Criminal Procedure, Article 18.17(h).

Audit examination, observation, inspection, and inquiry produced reasonable support or explanation for Chapter 59 conclusions and findings.

Summary

We obtained a reasonable assurance that support exists for financial transactions and walked through the process and procedures for seizing currency and property, storing seized assets, accounting for seized and forfeited assets, depositing seized and forfeited state funds in the seizure and forfeiture account, procuring supplies, assets, and services, expending forfeited funds, and tracking capital and non-capital items noting: an inadequate separation of duties in the requisition creation and approval process; and, individual folders for tracking assets without compilation of a single comprehensive asset tracking system in electronic format. We also compiled records for the financial report.

This report is intended for the information and use of County Officers. Our review was conducted on a test basis and was not designed to identify all deficiencies in internal control. We did not test compliance with all laws and regulations applicable to the Dallas County Constable Precinct No. 4 office. Testing was limited to controls and regulations that have a direct and material effect on financial reporting of state forfeiture funds.

Constable Precinct 4 administration is responsible for the establishment and maintenance of effective internal control and compliance with applicable laws, regulations, and contracts.



**DALLAS COUNTY
COUNTY AUDITOR**

INFORMATIONAL BRIEFING

December 2, 2015

Memorandum

To: Darryl Martin
Commissioners Court Administrator

From: Darryl D. Thomas *Darryl D. Thomas*
County Auditor

Subject: Chapter 59 Sheriff, Clean Air, & Constables Forfeiture Audit Filings

BACKGROUND:

FY2015 audits were performed according to state requirements as contained in V.T.C.A., Code of Criminal Procedure, Article 59.06 (g). The certified reports are to be delivered to the Criminal Prosecutions Division of the Office of the Attorney General no later than 60 days after the end of the County's fiscal year end or November 29th. According to statute, the audits shall be completed annually by the Commissioners Court on a form provided by the Office of the Attorney General. New procedures implemented by the Office of the Attorney General require the forms to be completed and electronically certified/submitted online by the Auditor (preparer certification) and the elected official (head of agency certification). The Chapter 59 audits included a review of the proceeds, expenditures and property from criminal seizures for the various offices and the corresponding cases filed by the Dallas County District Attorney's Office.

LEGAL IMPACT:

The certified reports are submitted for filing with Commissioners Court.

STRATEGIC PLAN COMPLIANCE:

This briefing is consistent with Dallas County's Strategic Plan Vision 3. The state law enforcement officials coordinated to reduce crime which resulted in receiving a share of forfeited assets to be used for future law enforcement purposes.

RECOMMENDATION:

The County Auditor submits for Commissioners Court filing the FY2015 Chapter 59 Sheriff, Clean Air Task Force, and Constable Precinct Nos. 1 through 5 State Forfeiture Audits.

91042 - Sheriff Department
91043 - Constable Precinct No. 1
91049 - Constable Precinct No. 2
91047 - Constable Precinct No. 3
91052 - Constable Precinct No. 4
91053 - Constable Precinct No. 5
94072 - Clean Air Task Force

attachments

509 Main Street
Suite 407

Dallas, Texas 75202

214-653-6472
FAX 214-653-6440

FY 2015
CHAPTER 59 ASSET FORFEITURE REPORT
BY LAW ENFORCEMENT AGENCY

Agency Dallas County Constable Precinct 4
Mailing Address 106 West Church Street, Suite 110
City Grand Prairie
State TX
Zip 75050
Phone Number (214) 875-2121
Fiscal Beginning Month October
Fiscal Ending Month September
Fiscal Year 2015

NOTE: PLEASE ROUND ALL FIGURES TO NEAREST WHOLE DOLLAR

I. SEIZED FUNDS PURSUANT TO CHAPTER 59

A) Beginning Balance:	\$0.00
B) Seizures During Reporting Period:	
1) Amount seized and retained in your agency's custody	\$0.00
2) Amount seized and transferred to the District Attorney pending forfeiture	\$0.00
3) Total Seizures	\$0.00
C) Interest Earned on Seized Funds During Reporting Period:	\$0.00
D) Amount Returned to Defendants/Respondents:	\$0.00
E) Amount Transferred to Forfeiture Account:	\$0.00
F) Other Reconciliation Items:	\$0.00
Description:	
G) Ending Balance	\$0.00

II. FORFEITED FUNDS AND OTHER COURT AWARDS PURSUANT TO CHAPTER 59

A) Beginning Balance:	\$5,404.00
B) Amount Forfeited to and Received by Reporting Agency (Including Interest) During Reporting Period:	\$0.00
C) Interest Earned on Forfeited Funds During Reporting Period:	\$23.00
D) Amount Awarded Pursuant to 59.022:	\$0.00
E) Amount Awarded Pursuant to 59.023:	\$0.00
F) Proceeds Received by Your Agency From Sale of Forfeited Property:	\$0.00
G) Amount Returned to Crime Victims:	\$0.00
H) Other Reconciliation Items:	\$0.00
Description:	

I) Total expenditures of Forfeited Funds During Reporting Period:	\$0.00
J) Ending Balance:	\$5,427.00

III. OTHER PROPERTY

A) MOTOR VEHICLES (Include cars, motorcycles, tractor trailers, etc.)

1) Seized:	0
2) Forfeited to Agency:	0
3) Returned to Defendants/Respondents:	0
4) Put into use by Agency:	0

B) REAL PROPERTY (Count each parcel seized as one item)

1) Seized:	0
2) Forfeited to Agency:	0
3) Returned to Defendants/Respondents:	0
4) Put into use by Agency:	0

C) COMPUTERS (Include computer and attached system components, such as printers and monitors, as one item)

1) Seized:	0
2) Forfeited to Agency:	0
3) Returned to Defendants/Respondents:	0
4) Put into use by Agency:	0

D) FIREARMS (Include only firearms seized for forfeiture under Chapter 59. Do not include weapons disposed under Chapter 18)

1) Seized:	0
2) Forfeited to Agency:	0
3) Returned to Defendants/Respondents:	0
4) Put into use by Agency:	0

E) Other Property

Description	Seized	Forfeited to Agency	Returned to Defendants/Respondents	Put into use by Agency
	0	0	0	0

IV. FORFEITED PROPERTY RECEIVED FROM ANOTHER AGENCY

A) Motor Vehicles:	0
B) Real Property:	0
C) Computers:	0
D) Firearms:	0
E) Other:	0

V. FORFEITED PROPERTY TRANSFERRED OR LOANED TO ANOTHER AGENCY

A) Motor Vehicles:	0
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B) Real Property:	0
C) Computers:	0
D) Firearms:	0
E) Other:	0

VI. EXPENDITURES

A) SALARIES

1) Increase of Salary, Expense or Allowance for Employees (Salary Supplements):	\$0.00
2) Salary Budgeted Solely From Forfeited Funds:	\$0.00
3) Number of Employees Paid Using Forfeiture Funds:	0
4) TOTAL SALARIES PAID OUT OF CHAPTER 59 FUNDS:	\$0.00

B) OVERTIME

1) For Employees Budgeted by Governing Body:	\$0.00
2) For Employees Budgeted Solely out of Forfeiture Funds:	\$0.00
3) Number of Employees Paid Using Forfeiture Funds:	0
4) TOTAL OVERTIME PAID OUT OF CHAPTER 59 FUNDS:	\$0.00

C) EQUIPMENT

1) Vehicles:	\$0.00
2) Computers:	\$0.00
3) Firearms, Protective Body Armor, Personal Equipment:	\$0.00
4) Furniture:	\$0.00
5) Software:	\$0.00
6) Maintenance Costs:	\$0.00
7) Uniforms:	\$0.00
8) K9 Related Costs:	\$0.00
9) Other:	\$0.00

Description:

10) TOTAL EQUIPMENT PURCHASED WITH CHAPTER 59 FUNDS:	\$0.00
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D) SUPPLIES

1) Office Supplies:	\$0.00
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2) Mobile Phone and Data
Account Fees: \$0.00

3) Internet: \$0.00

4) Other: \$0.00

Description:

5) TOTAL SUPPLIES PURCHASED WITH CHAPTER 59 FUNDS: \$0.00

E) Travel

1) In State Travel

a) Transportation: \$0.00

b) Meals & Lodging: \$0.00

c) Mileage: \$0.00

d) Incidental Expenses: \$0.00

e) Total In State Travel: \$0.00

2) Out of State Travel

a) Transportation: \$0.00

b) Meals & Lodging: \$0.00

c) Mileage: \$0.00

d) Incidental Expenses: \$0.00

e) Total Out of State Travel: \$0.00

3) TOTAL TRAVEL PAID OUT OF CHAPTER 59 FUNDS

Total Travel Paid Out of Chapter 59 Funds: \$0.00

F) TRAINING

1) Fees (Conferences,
Seminars): \$0.00

2) Materials (Books, CDs,
Videos, etc.): \$0.00

3) Other: \$0.00

Description:

4) TOTAL TRAINING PAID OUT OF CHAPTER 59 FUNDS: \$0.00

G) INVESTIGATIVE COSTS

1) Informant Costs:	\$0.00
2) Buy Money:	\$0.00
3) Lab Expenses:	\$0.00
4) Other:	\$0.00

Description:

5) TOTAL INVESTIGATIVE COSTS PAID OUT OF CHAPTER 59 FUNDS:	\$0.00
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H) PREVENTION / TREATMENT PROGRAMS / FINANCIAL ASSISTANCE / DONATIONS

1) Total Prevention/Treatment Programs (pursuant to 59.06 (d-3(6), (h), (j)):	\$0.00
2) Total Financial Assistance (pursuant to Articles 59.06 (n) and (o)):	\$0.00
3) Total Donations (pursuant to Articles 59.06 (d-2)):	\$0.00
4) TOTAL PREVENTION/TREATMENT PROGRAMS/FINANCIAL ASSISTANCE/DONATIONS (pursuant to Articles 59.06 (d-3(6)), (h), (j), (n), (o), (d-2)):	\$0.00

I) FACILITY COSTS

1) Building Purchase:	\$0.00
2) Lease Payments:	\$0.00
3) Remodeling:	\$0.00
4) Maintenance Costs:	\$0.00
5) Utilities:	\$0.00
6) Other:	\$0.00

Description:

7) TOTAL FACILITY COSTS PAID OUT OF CHAPTER 59 FUNDS:	\$0.00
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J) MISCELLANEOUS FEES

1) Court Costs:	\$0.00
2) Filing Fees:	\$0.00
3) Insurance:	\$0.00
4) Witness Fees (including travel and security):	\$0.00
5) Audit Costs and Fees (including audit preparation and professional fees):	\$0.00
6) Other:	\$0.00

Description:

7) TOTAL MISCELLANEOUS FEES PAID OUT OF CHAPTER 59 FUNDS:

K) PAID TO STATE TREASURY / GENERAL FUND / HEALTH & HUMAN SERVICES COMMISSION

1) Total paid to State Treasury due to lack of local agreement pursuant to 59.06 (c):	\$0.00
2) Total paid to State Treasury due to participating in task force not established in accordance with 59.06 (q)(1):	\$0.00
3) Total paid to General Fund pursuant to 59.06 (C-3) (c) (Texas Department of Public Safety only):	\$0.00
4) Total forfeiture funds transferred to the Health and Human Services Commission pursuant to 59.06 (p):	\$0.00
5) TOTAL PAID TO STATE TREASURY/ GENERAL FUND/ HEALTH & HUMAN SERVICES COMMISSION OUT OF CHAPTER 59 FUNDS:	\$0.00

L) TOTAL PAID TO COOPERATING AGENCY(IES) PURSUANT TO LOCAL AGREEMENT

TOTAL PAID TO COOPERATING AGENCY(IES) PURSUANT TO LOCAL AGREEMENT:	\$0.00
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M) TOTAL OTHER EXPENSES PAID OUT OF CHAPTER 59 FUNDS WHICH ARE NOT ACCOUNTED FOR IN PREVIOUS CATEGORIES

TOTAL OTHER EXPENSES PAID OUT OF CHAPTER 59 FUNDS WHICH ARE NOT ACCOUNTED FOR IN PREVIOUS CATEGORIES:	\$0.00
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Description:

N) TOTAL EXPENDITURES

TOTAL EXPENDITURES:	\$0.00
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AUDITOR/ TREASURER/ACCOUNTING PROFESSIONAL/PREPARER CERTIFICATION

By pressing "Save" below using your email address and password account access, and pursuant to the terms of service, you certify that you swear or affirm that the Commissioners Court, City Council or Head of Agency(if no governing body) has requested that you conduct the audit required by Article 59.06 of the Code of Criminal Procedure and that upon diligent inspection of all relevant documents and supporting materials, you believe that the information contained in this report is true and correct to the best of your Knowledge.

AUDITOR/ TREASURER/ ACCOUNTING PROFESSIONAL/ PREPARER SIGNATURE:	Darryl D. Thomas
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TITLE:	Dallas County Auditor
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HEAD OF AGENCY CERTIFICATION

By pressing "Submit" below using your email address and password account access, and pursuant to the terms of service you swear or affirm, under penalty of perjury, that you have accounted for the seizure, forfeiture, receipt, and specific expenditure of all proceeds and property subject to

Chapter 59 of the Code of Criminal Procedure, and that upon diligent inspection of all relevant documents and supporting materials, this asset forfeiture report is true and correct and contains all information required by Article 59.06 of the Code of Criminal Procedure. You further swear or affirm that, to the best of your knowledge, all expenditures reported herein were lawful and proper, and made in accordance with Texas law.

HEAD OF AGENCY
SIGNATURE: Roy H. Williams, Jr.

TITLE: Constable, Precinct 4

DATE: 11/16/2015

Comments